



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0576	Title:	Preference for locating state offices in downtown area
Primary Sponsor:	Caferro, Mary	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	unknown	unknown	unknown	unknown
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>unknown</u>	<u>unknown</u>	<u>unknown</u>	<u>unknown</u>

Description of fiscal impact:

There will be a fiscal impact due to the 2 percent preference for locating state office space in downtown areas. However, the exact impact cannot be determined due to unknown factors such as the number of agencies needing new leased space as well as the amount of and types of space available.

FISCAL ANALYSIS

Assumptions:

1. Over 50 percent of current leases are in downtown areas. The leases are negotiated on a case by case basis.
2. There will be a fiscal impact based upon the 2 percent allowance for downtown space, but that impact is dependent on individual agency space needs that will arise and cannot be determined.
3. The cost to produce the report required by Section 5 will be minimal and will be addressed with existing resources.

Technical Notes:

1. Section 2 defines the downtown area as the central business district of a city. The central business district in Helena is not contiguous. That is, it is possible to have more than one central business district and therefore more than one downtown area within one town. Since the statute does not define “central business district” as one contiguous area this leaves ambiguity in the interpretation of what a downtown area consists of .
2. The Department of Administration does not know the status of central business districts in other cities. That adds uncertainty and room for conflict over the administration of the preference.
3. Section 4 (5) “the safety of the employees and members of the public who may use the facility;” needs clarification as to how this will be determined.
4. Section 5 (6) “impacts on traffic flow and transportation;” needs clarification as to how this will be determined. If a traffic study is required there will be contract costs to do this study.

Sponsor's Initials

Date

Budget Director's Initials

Date